



# **Actinic Web Design and Ecommerce Report 2006**

**Published March 2006**

## Introduction

This document comprises a summary and data from the Web Design & Ecommerce Survey commissioned by Actinic, to monitor web site-building and ecommerce trends among web designers.

The research was based on interviews conducted in early 2006 with 80 web design companies. The sample was selected at random from an independent database and not restricted to web design companies involved in ecommerce (although all those interviewed proved to have built at least one ecommerce site for a client); so some general conclusions about the web design market can be drawn.

The research was conducted by pfa Research, [www.pfa-research.com](http://www.pfa-research.com)

# 1. Summary

## 1.1. Web designers and their clients

- ◆ **Building ecommerce sites became more remunerative.** The average cost to the client of an ecommerce site built by a web designer rose from £2,300 in 2004 to £4,600.
- ◆ Web designers' overall output fell marginally between 2004 and the present, from an average 24 web sites built a year to 22.
- ◆ The average size of client companies continued to fall, indicating that **use of web designers by SMEs is continuing to grow.**
- ◆ The proportion of new to redesigned sites remained virtually unchanged, at 7 new to every 3 redesigned.

## 1.2. Web site design and tools

- ◆ **Macromedia Dreamweaver is losing market share.** The percentage of web designers using it fell for the second year running from 76% to 65% in two years.
- ◆ Among server-side technologies, adoption of PHP has stabilized at around 60%, while **use of MS .Net has fallen** from 52% to 39% since 2004.
- ◆ In choosing ecommerce site building tools, **web designers are placing far more importance than previously on functionality.** Cost has become less important.

## 1.3. Ecommerce adoption

- ◆ **Ecommerce site design is now a must-have skill for web designers.** All 80 companies interviewed said they had been required at least once to develop ecommerce functionality for a client.
- ◆ Almost half of web designers reported that demand **for ecommerce has risen** – compared with less than 1 in 20 who believed it had fallen.
- ◆ **This year, for the first time, over a quarter of all new web sites were ecommerce-enabled.**
- ◆ Use of ecommerce packages among web designers has continued to decline somewhat.
- ◆ However, **web designers still believe packaged solutions will become more dominant in the future.**

## 2. Web Designers and their clients

2.1.1. **This year, revenue from ecommerce site-building rose significantly.** The average income from building an ecommerce site doubled, from c. £2300 per site in 2004 to c. £4600 now.

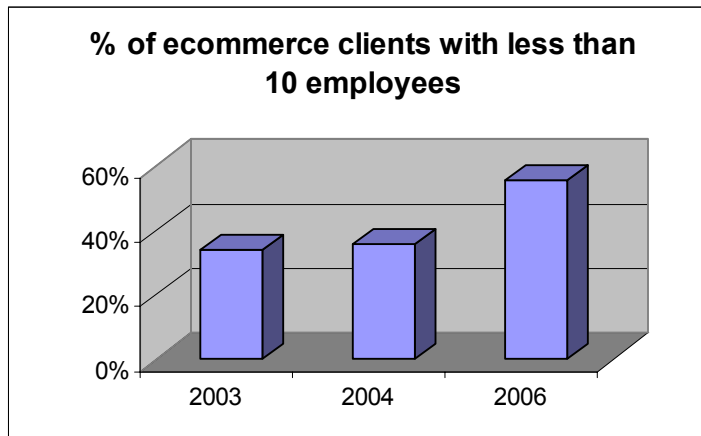
	2004	2006
What is the typical amount you charge for an online store for a client?	£2,293	£4,626

**Given that the percentage of sites requiring ecommerce also rose (see 5.1 below), this indicates a very significant increase in the contribution that ecommerce is making to the average web designer's revenue.**

Possible causal factors indicated by earlier research\* include a new 'dash for the web' on the part of SMEs, and growing profitability among ecommerce sites. Another factor may be rising expectations on the part of online shoppers, driven by leading-edge sites such as Amazon, which would also explain the greater demand for functionality noted in para. 4.2 below.

2.1.2. At the same time, web designers' overall output fell only marginally, from an average 24 sites a year built in 2004, to 22 in 2006 – indicating that the effort involved did not increase in proportion with the revenue.

2.1.3. The average size of client companies has continued to fall – indicating that **SMEs are continuing to take their first steps onto the internet in significant numbers.**



2.1.4. The proportion of new (as opposed to redesigned) remained virtually unchanged at 69% (from 70%).

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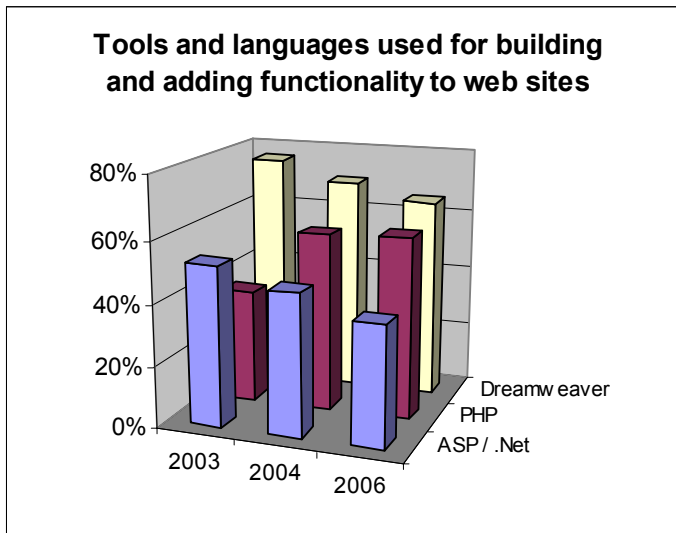
\* Actinic Ecommerce Report 2005 (merchants)

### 3. Website design and tools

#### 3.1. Preferred Technology

3.1.1. **Macromedia Dreamweaver appears to be losing market share in the web design market.** The percentage of web designers naming Dreamweaver as their favoured web design tool has declined from 76% to 65% in two years. At the same time, no clear challenger has emerged. Rather, web designers increasingly seem to wholly or partially hand-code sites, using a variety of different tools and utilities.

3.1.2. The percentage of web designers using MS .Net technology has also fallen over the last two years, from 52% to 39%; while the proportion using PHP has risen from 37% to 59% in the same period.



#### 3.2. Factors in Choosing

3.2.1. Since 2004, the level of functionality has become far more important to web designers in choosing tools for building ecommerce sites, equalling security; and the cost has become less important. This suggests a maturing market and more demanding clients.

**Considerations in choosing software to drive a client's online store, ranked in order of importance:**

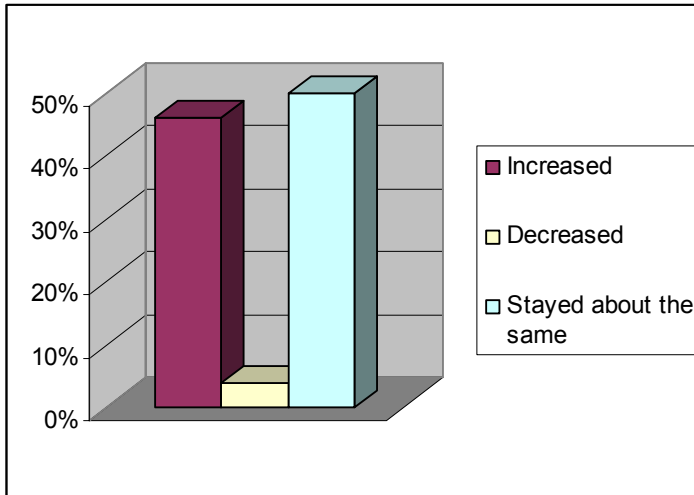
	2004	2006	
Security	2	1	▲
Functionality	6	1	▲
Easy for clients to use	3	3	=
Easy to implement designs	1	4	▼
Easy to extend	5	5	=
Cost	4	6	▼

## 4. Ecommerce sites

### 4.1. Ecommerce adoption

4.1.1. All companies interviewed had built at least one ecommerce site for a client – indicating that **ecommerce site development is now an essential skill for web designers.**

4.1.2. **Demand for ecommerce sites built by web designers is continuing to rise.** 46% of web designers reported that demand for ecommerce implementations had risen, compared with only 4% who reported that it had fallen. 50% reported no change



**In the last year, has the number of customers wanting an ecommerce facility increased, decreased or stayed roughly the same?**

4.1.3. Designers reported that 26% of sites built in the last year were enabled for ecommerce, compared with 23% in 2004.

### 4.2. Use of packages

4.2.1. The use of ecommerce packages continues to decline slowly among web designers, with only 40% of sites now being built using a third party solution.

4.2.2. However, web designers' assessment of the advantages of packaged solutions is unchanged, and they still back them to win over bespoke development in the long term.

**On a scale of 1-5, how strongly do you agree with the following statements?  
1=Disagree strongly**

	2004	2006	
Ecommerce packages will eventually dominate the online store scene	3.0	3.3	▲
Ecommerce packages let you develop online stores faster	3.9	3.9	=
It's good that a customer can go back to the supplier of a package if you moved on and couldn't help them	3.8	3.8	=
It's easier to build an online store using an ecommerce package	3.7	3.7	=
Using an ecommerce package is a waste of money	2.4	2.3	▼